

FIRST UNION RAIL

One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

Tel 847.318.7575
Fax 847.318.7588

RECORDATION NO. 22145-J FILED

AUG 11 '05

2-42 PM

SURFACE TRANSPORTATION BOARD

VIA UPS 2nd DAY AIR

August 9, 2005

Mr. Vernon E. Williams
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals of a Memorandum of Lease Agreement, dated June 1, 2005, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Commission under Recordation Number 22145.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Southwest Rail Industries, Inc.
601 South East Street
Weimar, TX 78962

A description of the railroad equipment covered by the enclosed document is twenty-five (25) 5700 cu. ft., 100-ton capacity plastic pellet cars, marked NDYX (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: Memorandum of Lease

Also enclosed is a check in the amount of \$33.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5355.
Thank you for your cooperation in this matter.

Very truly yours,



Susan Grokulsky
Manager of Documentation

Enclosures

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 1st day of June, 2005, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Southwest Rail Industries, Inc. ("Lessee"), a Texas corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Master Lease Agreement (the "Lease"), dated as of June 1, 1993 as amended and assigned thereto, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 15 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of June 1, 2005 and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: Richard F. SeymourName: RICHARD F. SEYMOUR

Vice President Sales & Marketing

Title: _____

By: Theresa CatapanoName: THERESA CATAPANOTitle: MGR. OF DOCUMENTATION Executed on this 1st day of June, 2005.

[CORPORATE SEAL]

RECORDATION NO. 22145-5 FILED

AUG 11 '05

2-42 PM

STATE OF ILLINOISCOUNTY OF COOK

SURFACE TRANSPORTATION BOARD

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 1st day of June, 2005.

Susan Grokulska
Notary Public

My Commission Expires:

8-14-2008

(Notary Public)



LESSEE:

SOUTHWEST RAIL INDUSTRIES, INC.

By: *Raul Womalo*

Name: RA Womalo

Title: VP

ATTEST:

By: *Lisa M. Ervin*

Name: Lisa M. Ervin

Title: Customer Service

Executed on this 25th day of May, 2005.

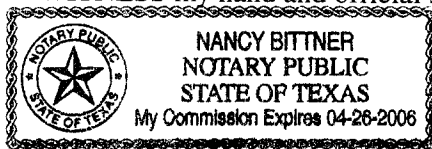
[CORPORATE SEAL]

STATE OF Texas

COUNTY OF Colorado

I, NANCY BITTNER, a Notary Public of the County and State aforesaid, certify that RA Womalo personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 25th day of May, 2005.



Nancy Bittner
Notary Public

Commission Expires:

4-26-06
(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Twenty-five (25)

DESCRIPTION OF CARS: 5700 cu. ft. capacity plastic pellet cars, 100-ton capacity, lined, equipped with pneumatic gates and one vented hatch cover per compartment.

CAR NUMBERS:

NDYX 878000
NDYX 878013
NDYX 878014
NDYX 878016
NDYX 878018
NDYX 878022
NDYX 878029
NDYX 878030
NDYX 878032
NDYX 878038
NDYX 878039
NDYX 878040
NDYX 878041
NDYX 878042
NDYX 878045
NDYX 878047
NDYX 878054
NDYX 878055
NDYX 878058
NDYX 878069
NDYX 878074
NDYX 878077
NDYX 878081
NDYX 878087
NDYX 878095